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BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

COMMISSIONERS

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GARY PIERCE
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2014 APR 23 A 11:34

AZ CORP COMMISSION
DOCKET CONTROL

ORIGINAL

IN THE MATTER OF THE APPLICATION OF
RANCHO SAHUARITA WATER COMPANY,
L.L.C., FOR THE TRANSFER OF ITS
CERTIFICATE OF CONVENIENCE AND
NECESSITY TO SAHUARITA WATER
COMPANY, L.L.C., AND EXTENSION OF THE
CERTIFICATE OF CONVENIENCE AND
NECESSITY FOR WATER SERVICE

Docket No. W-03718A-07-0687

NOTICE OF FILING

Sahuarita Water Company, L.L.C. ("Sahuarita"), in accordance with the April 15, 2014 Procedural Order, provides copies of the letters sent to ASARCO, L.L.C. and Freeport McMoRan Copper & Gold, Inc. regarding Staff's recommendation that their parcels be deleted from Sahuarita's extended certificated service territory granted in Decision No. 70620 (November 19, 2008) when different entities owned those parcels. Further, Sahuarita is providing an affidavit from its Controller averring that – based upon her knowledge, information and belief – those two entities are the sole property owners for those parcels.

RESPECTFULLY submitted this 23rd day of April 2014.

ROSHKA DEWULF & PATTEN, PLC

Arizona Corporation Commission

DOCKETED

APR 23 2014

DOCKETED BY

By

Jason D. Gellman
Roshka, DeWulf & Patten, PLC
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

Attorney for Sahuarita Water Company, L.L.C.

1 Original and 13 copies of the foregoing
2 filed this 23rd day of April, 2014, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington
6 Phoenix, Arizona 85007

7 Copy of the foregoing hand-delivered/mailed
8 this 23rd day of April, 2014 to:

9 Belinda A. Martin
10 Administrative Law Judge
11 Hearing Division
12 Arizona Corporation Commission
13 400 West Congress
14 Tucson, AZ 85701-1347

15 Steve Olea
16 Director, Utilities Division
17 Arizona Corporation Commission
18 1200 West Washington Street
19 Phoenix, Arizona 85007

20 Brian Bozzo
21 Utilities Division
22 Arizona Corporation Commission
23 1200 West Washington Street
24 Phoenix, Arizona 85007

25 By *Rubee Amador*
26
27

ROSHKA DEWULF & PATTEN

ROSHKA DEWULF & PATTEN, PLC
ATTORNEYS AT LAW
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET
SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

April 22, 2014

Thomas H. Phillips, General Manager
Ted Moulin, Engineering Manager
ASARCO, L.L.C.
4201 W Pima Mine Road
Sahuarita, AZ 85629

RE: ASARCO's need for water service from Sahuarita Water Company, L.L.C. for land purchased from Arizona State Land Department: Section 16, Township 17 South, Range 13 East, G&SRB&M, Pima County, Arizona.

Dear Mr. Phillips and Mr. Moulin,

The purpose of this letter is to confirm that ASARCO, L.L.C. no longer needs and no longer desires Sahuarita Water Company, L.L.C. ("Sahuarita" or the "Company") to be the exclusive water service provider for the following land acquired from the Arizona State Land Department ("ASLD"): Section 16, Township 17 South, Range 13 East, G&SRB&M, Pima County, Arizona.

By way of background, on November 19, 2008, the Arizona Corporation Commission ("Commission") issued Decision No. 70620 (November 19, 2008), granting Rancho Sahuarita Water Company, L.L.C.'s request to transfer its Certificate of Convenience and Necessity ("CC&N") to Sahuarita, and for a CC&N extension. The approved CC&N extension covered three parcels from three different owners: Mission Peaks 4000, L.L.C. ("Mission Peaks"), Sahuarita Mission Partners ("SMP"), and the ASLD. A copy of that decision can be retrieved through the Commission's eDocket at <http://images.edocket.azcc.gov/docketpdf/0000090601.pdf>.

Residential subdivisions had originally been planned for the three parcels. Pursuant to Decision No. 70620, Sahuarita was required to file within three years of the effective date of the Decision "copies of the Approval to Construct ("ATC") from the Arizona Department of Environmental Quality for well(s), storage tanks(s), booster pump station(s), and the distribution system necessary to serve the initial subdivision in the extension area."

ROSHKA DEWULF & PATTEN

Thomas H. Phillips & Ted Moulin

April 22, 2014

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Based on the effective date of the Decision, the ATC should have been filed by November 19, 2011. But Sahuarita had applied for and received a two-year extension to file the ATC until November 19, 2013, in Decision No. 73157 (May 18, 2012). A copy of that decision is available at <http://images.edocket.azcc.gov/docketpdf/0000136747.pdf>. Further, since the time the Commission issued Decision No. 70620, Freeport McMoRan Copper & Gold acquired the Mission Peaks parcel. It is our understanding that ASARCO then acquired the ASLD parcel located in Section 16, Township 17 South, Range 13 East, G&SRB&M, Pima County, Arizona after the Commission issued Decision No. 73157.

On November 4, 2013, Sahuarita requested an additional extension of time to file the ATC, noting the changed circumstances since the Commission issued the original CCN extension. Specifically, Sahuarita has requested a five-year extension to file the ATC. Commission Staff has recommended approving a two-year extension for the SMP parcel, but has also recommended deletion of both the ASARCO and Freeport parcels from Sahuarita's certificated service territory originally granted in Decision No. 70620. This is because Sahuarita did not receive letters from either entity indicating a need or desire for Sahuarita to provide water service. It is Sahuarita's understanding that the SMP parcel will remain in the Company's certificated service area in accordance with the Company's request, SMP's desire to have Sahuarita provide water service, and the Commission Staff's recommendation.

The Administrative Law Judge has ordered Sahuarita to send by first-class and certified mail this letter notifying you of the following:

- Commission Staff has recommended that your parcel be deleted from Sahuarita's CC&N;
- Sahuarita will no longer be the exclusive provider of water service for your parcel if it is deleted from the Company's service territory; and
- That you have 45 days from the date of the letter to respond *in writing* indicating whether you wish to still have Sahuarita be the water service provider for your parcel;

We understand ASARCO acquired all of the following ASLD land: Section 16, Township 17 South, Range 13 East, G&SRB&M, Pima County, Arizona, which is currently within Sahuarita's certificated service territory. Further, that you no longer need and are no longer requesting water service from Sahuarita. This letter serves as notice that if you do not respond in writing within 45 days of the date of this letter indicating a need for service, then the Company will assume that you are no longer interested in having Sahuarita as the exclusive water provider for your parcel at issue.

ROSHKA DeWULF & PATTEN

Thomas H. Phillips & Ted Moulin
April 22, 2014
Page 3

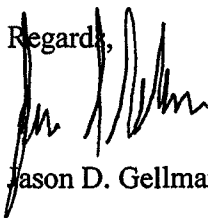
If you have any questions or concerns about this proceeding, I am providing my contact information on behalf of Sahuarita below:

Jason Gellman
Roshka, DeWulf & Patten, PLC
400 East Van Buren, Suite 800
Phoenix, Arizona 85004
(602) 256-6100
jgellman@rdp-law.com

You may also contact Commission Staff to address your questions; I have provide contact information for Commission Staff below.

Brian Bozzo
1200 West Washington Street
Phoenix, Arizona 85007
(602) 542-4251
bbozzo@azcc.gov

Regards,



Jason D. Gellman

cc: Marian Homiak
Robin Mitchell, ACC Legal Divison

JDG/da

ROSHKA DEWULF & PATTEN

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ATTORNEYS AT LAW
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET
SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

April 22, 2014

John Broderick, Vice President & General Manager
Dan Dempsey, Senior Resource Manager
Freeport-McMoRan Copper & Gold – Sierrita Operations
6200 West Duval Mine Road
Green Valley, AZ 85622-0527

RE: Freeport – Sierrita Operation's need for water service from Sahuarita Water Company, L.L.C. for land purchased from Mission Peaks 4000, L.L.C.

Dear Mr. Broderick and Mr. Dempsey,

The purpose of this letter is to confirm that Freeport McMoRan Copper & Gold – Sierrita Operations ("Freeport") no longer needs and no longer desires Sahuarita Water Company, L.L.C. ("Sahuarita" or the "Company") to be the exclusive water service provider for the 4,228-acre parcel formerly known as "Mission Peaks" located in Pima County, Arizona.

By way of background, on November 19, 2008, the Arizona Corporation Commission ("Commission") issued Decision No. 70620 (November 19, 2008), granting Rancho Sahuarita Water Company, L.L.C.'s request to transfer its Certificate of Convenience and Necessity ("CC&N") to Sahuarita, and for a CC&N extension. The approved CC&N extension covered three parcels from three different owners: Mission Peaks 4000, L.L.C. ("Mission Peaks"), Sahuarita Mission Partners ("SMP"), and the Arizona State Land Department ("ASLD"). A copy of that decision can be retrieved through the Commission's eDocket at <http://images.edocket.azcc.gov/docketpdf/0000090601.pdf>.

Residential subdivisions had originally been planned for the three parcels. Pursuant to Decision No. 70620, Sahuarita was required to file within three years of the effective date of the Decision "copies of the Approval to Construct ("ATC") from the Arizona Department of Environmental Quality for well(s), storage tanks(s), booster pump station(s), and the distribution system necessary to serve the initial subdivision in the extension area."

ROSHKA DEWULF & PATTEN

John Broderick & Dan Dempsey

April 22, 2014

Page 2

Based on the effective date of the Decision, the ATC should have been filed by November 19, 2011. But Sahuarita had applied for and received a two-year extension to file the ATC until November 19, 2013, in Decision No. 73157 (May 18, 2012). A copy of that decision is available at <http://images.edocket.azcc.gov/docketpdf/0000136747.pdf>. Further, since the time the Commission issued Decision No. 70620, Freeport acquired the Mission Peaks parcel. Also, we understand that ASARCO, L.L.C. acquired the former-ASLD parcel after the Commission issued Decision No. 73157.

On November 4, 2013, Sahuarita requested an additional extension of time to file the ATC, noting the changed circumstances since the Commission issued the original CCN extension. Specifically, Sahuarita has requested a five-year extension to file the ATC. Commission Staff has recommended approving a two-year extension for the SMP parcel, but has also recommended deletion of both the ASARCO and Freeport parcels from Sahuarita's certificated service territory originally granted in Decision No. 70620. This is because Sahuarita did not receive letters from either entity indicating a need or desire for Sahuarita to provide water service. It is Sahuarita's understanding that the SMP parcel will remain in the Company's certificated service area in accordance with the Company's request, SMP's desire to have Sahuarita provide water service, and the Commission Staff's recommendation.

The Administrative Law Judge has ordered Sahuarita to send by first-class and certified mail this letter notifying you of the following:

- Commission Staff has recommended that your parcel be deleted from Sahuarita's CC&N;
- Sahuarita will no longer be the exclusive provider of water service for your parcel if it is deleted from the Company's service territory; and
- That you have 45 days from the date of the letter to respond *in writing* indicating whether you wish to still have Sahuarita be the water service provider for your parcel;

We understand that Freeport acquired the entire 4,228- acre Mission Peaks parcel. Further, we understand that you no longer need and are no longer requesting water service from Sahuarita. This letter serves as notice that if you do not respond in writing within 45 days of the date of this letter indicating a need for service, then the Company will assume that you are no longer interested in having Sahuarita as the exclusive water provider for your parcel at issue.

ROSHKA DEWULF & PATTEN

John Broderick & Dan Dempsey

April 22, 2014

Page 3

If you have any questions or concerns about this proceeding, I am providing my contact information on behalf of Sahuarita below:

Jason Gellman

Roshka, DeWulf & Patten, PLC

400 East Van Buren, Suite 800

Phoenix, Arizona 85004

(602) 256-6100

jgellman@rdp-law.com

You may also contact Commission Staff to address your questions; I have provided contact information for Commission Staff below.

Brian Bozzo

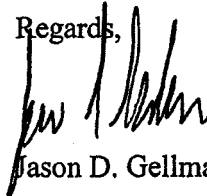
1200 West Washington Street

Phoenix, Arizona 85007

(602) 542-4251

bbozzo@azcc.gov

Regards,



Jason D. Gellman

cc: Marian Homiak
Robin Mitchell, ACC Legal Division

JDG/da

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BOB STUMP- CHAIRMAN
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

AFFIDAVIT OF MARIAN HOMIAK

**IN THE MATTER OF THE APPLICATION
OF RANCHO SAHUARITA WATER
COMPANY, L.L.C., FOR THE TRANSFER
OF ITS CERTIFICATE OF CONVENIENCE
AND NECESSITY TO SAHUARITA
WATER COMPANY, L.L.C., AND
EXTENSION OF THE CERTIFICATE OF
CONVENIENCE AND NECESSITY FOR
WATER SERVICE**

STATE OF ARIZONA)
) ss.
County of Pima)

Marian Homiak, being first duly sworn upon oath, deposed as days as follows:

1. I am over the age of 18 and am competent to testify as to all the facts set forth herein,
2. I have personal knowledge of all of the matters set forth herein, except those stated upon information and belief, which I believe to be true. In certain instances, my personal knowledge is based on my review of the business records of Sahuarita Water Company, L.L.C. ("Sahuarita" or the

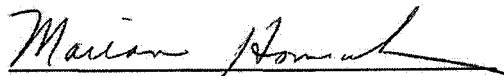
1 "Company"), which are kept in the ordinary course of business, and which I
2 reviewed as the Controller of the Company.

- 3 3. Sahuarita sought and received an extension of its certificate of convenience
4 and necessity ("CCN") in Decision No. 70620 (November 19, 2008) to
5 serve three parcels owned by three different entities: Mission Peaks 4000,
6 L.L.C. ("Mission Peaks"), Sahuarita Mission Partners ("SMP"), and the
7 Arizona State Land Department ("ASLD"). Sahuarita understood that
8 residential subdivisions had originally been planned for the three parcels.
9 Decision No. 70620 contained a condition that Sahuarita obtain and file an
10 Approval to Construct ("ATC") from Arizona Department of
11 Environmental Quality ("ADEQ") by November 19, 2011.
12
13 4. Sahuarita filed for and received a two-year extension to file the ATC until
14 November 19, 2013 in Decision No. 73157 (May 18, 2012). Sahuarita has
15 applied for an additional five-year extension until November 19, 2018 to
16 file the ATC on November 4, 2013.
17
18 5. Since the time that Decision No. 70620 was issued, Freeport McMoRan
19 Copper & Gold, Inc. ("Freeport") acquired the entire 4,228-acre Mission
20 Peaks parcel. My knowledge is based in part on correspondence provided
21 from John Broderick, the Vice President and General Manager of Freeport,
22 received around November 2, 2011, and submitted as part of the two-year
23 request by Sahuarita resulting in Decision No. 73157 being issued.
24
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Freeport indicated at that time that it did not oppose the two-year extension granted in Decision No. 73157. Since that time, Freeport has not indicated any need for service from Sahuarita. Based upon information available to me, and to the best of my knowledge, Freeport remains the sole property owner of that parcel.

6. Further, since the time Decision 73157 was issued, Sahuarita learned that ASARCO, L.L.C acquired the entire parcel of land from ASLD within Sahuarita's CCN, located at Section 16, Township 17 South, Range 13 East, G&SRB&M, Pima County, Arizona. Based upon information available to me, and to the best of my knowledge, ASARCO remains the sole property owner of that parcel.
7. I understand that Commission Staff has recommended that the Freeport and ASARCO parcels be deleted from the Company's extended service territory, but that the SMP parcel would remain in Sahuarita's CCN. Sahuarita is not opposing this recommendation, since the Company has not received any correspondence from either Freeport or ASARCO indicating a need or desire for water service from the Company in the future.
8. Further affiant sayeth not.

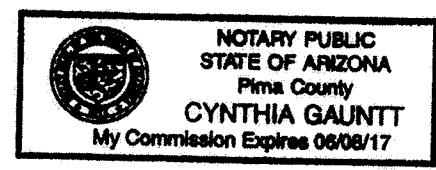
DATED this 23rd day of April, 2014.


Marian Homiak

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SUBSCRIBED AND SWORN to me this 23rd day of April, 2014, by Marian
Homiak, Controller, Sahuarita Water Company L.L.C.

Cynthia Gauntt
Notary Public



ROSIKA, DEWULF & PATTEN, PLC
ONE ARIZONA CENTER
400 EAST VAN BUREN - SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800